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RIGHT TO HOUSING

Policies to Decommodify and Revive the Right to Housing in Italy

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While the Charter of Fundamental European Rights declares that housing is a fundamental good for leading a dignified life (2002, Art. 34.3), in Italy, the right to housing is not enshrined in the Constitution. The only normative reference is the Constitution's Article 47, co. 2, which attributes to the Republic the task of favouring the access of popular savings to property.

In Italy, the housing culture is based on the principle of home ownership as the primary source of families' economic security and as the essential element of a familistic, unequal and not very redistributive welfare system (Agostoni, et al., 2015). This is a structural condition sustained by more than fifty years of **policies that have reduced intervention in favour of housing as a commons**, supporting if anything, the commodification of housing as an exchange good and financial asset, through the affirmation of privatisation tools, the dismantling of complex forms of dissociated and collective ownership (Barbot, 2008) and the de facto marginalisation of rented housing and mutualistic forms of social housing (Cafora, et al., 2024).

The decision to convert investments for the production of public owned social housing into collaborations with for-profit entities in the management of public land and real es-

te assets combined with the sale of heritage for social housing has **drastically reduced the accessibility of housing** (Belotti, Arbaci, 2021), especially in the attractive cities of the peninsula (Vitale, Cafora, 2024).

The polarisation of resources has produced, on one hand **highly marginal territories** characterised by **depopulation** and loss of property values, on the other hand, the so-called 'attractive', **densely populated** economically productive **urban areas** into which infrastructural investments for regeneration are channeled, and the phenomena of increasing property values widen the risk of exclusion from the housing good (Cremaschi, Le Galès, 2018). At the same time, the long cycle of backwardness of public action on housing has led to a process of impoverishment and **reduction of intervention tools** for housing policies (Tosi, 2017).

Therefore, there is an urgent need to formulate *policies* that can counter the exclusionary dynamics and commodification of housing, supporting and implementing *affordable* housing for the whole national housing demand. In general, especially when looking at attractive cities, what is at stake is the capacity of urban contexts to implement emancipation processes.

Context

The increasingly less accessible home

The Italian model is defined as '**dua and polarised**', i.e. based on a **clear separation between private and public supply**, where the latter is currently residual. The context, therefore, is historically averse to innovation in legislative terms and is one of the few Mediterranean welfare systems not to question itself deeply about its reform which is still centered on access to property ownership, free market and familialistic support housing (Haffner, Hulse, 2021). A picture that now runs counter to the profound social and economic changes that the country is facing, especially in **attractive cities**, defined as such not so much for the number of residents, as for, their ability to attract new populations, to provide job opportunities and to produce a rich cultural and social offer (Le Galès, Vitale, 2015). In this perimeter, cities like Florence, Naples, Palermo, Rome and Turin are found, and even more so the cities of the urban region that is drawn between Milan, Bologna and Verona (Balducci, et al., 2017). **Access to housing and its maintenance are increasingly becoming a crucial issue** for their urban balance, especially when considering national context data.

According to ISTAT, about 18.2 million families (70.8% of the total) **own** the dwelling they live in, while 5.2 million (20.5%) live in **rented** accommodation, and 2.2 million (8.7%) occupy dwelling in **usufruct** or free of charge compared to the 46% of rented households registered in 1961. This figure represents the consistent orientation of housing policies towards homeownership. According to Housing Europe (2023: 70), only 3.5% of the population lives in public ren-

tal housing, the percentage of households in 'great difficulty' or 'in difficulty' to make ends meet exceeds 25% in Italy compared to 15% in Austria and France. This figure highlights the **widening of social fragility** in the Italian context also related to housing. It is crucial to consider that 35.5% of households in which the primary income earner is unemployed, live in this condition (*ibid.*: 71).

Population in severe housing deprivation in 2019 in %.

Next housing 2022, nomisma per Legacoop

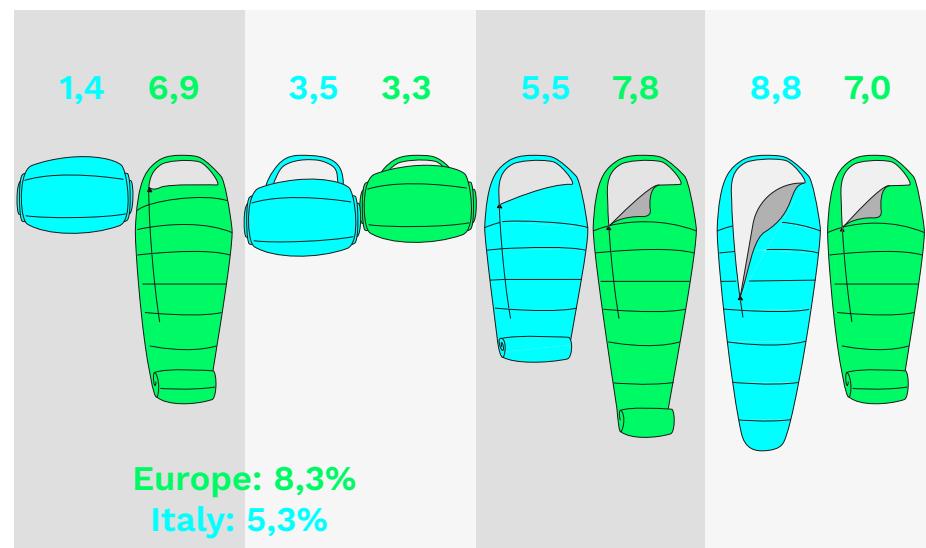


Fig. 1

Housing cost overload is the percentage of the population living in households where the cost of housing accounts for more than 40% of disposable income.

Source: LegaCoop (2022)

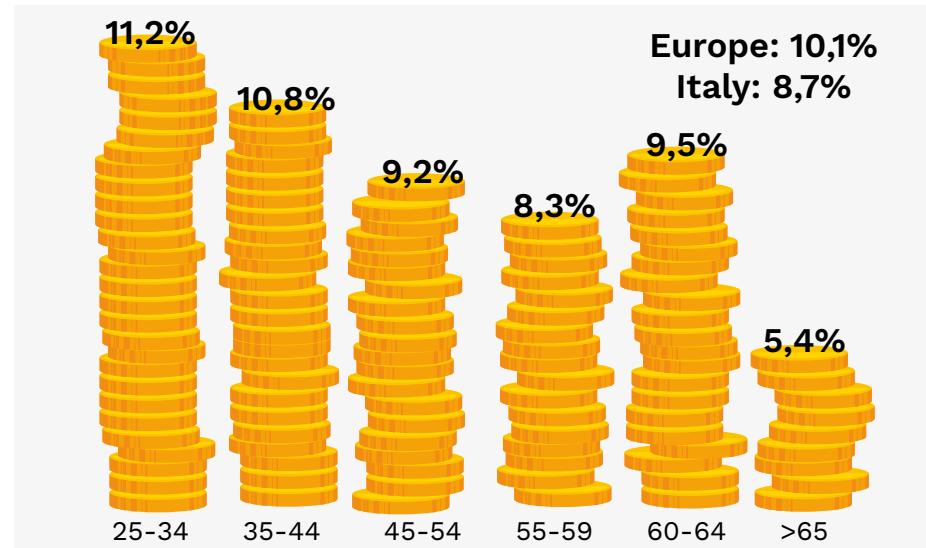


Fig. 2

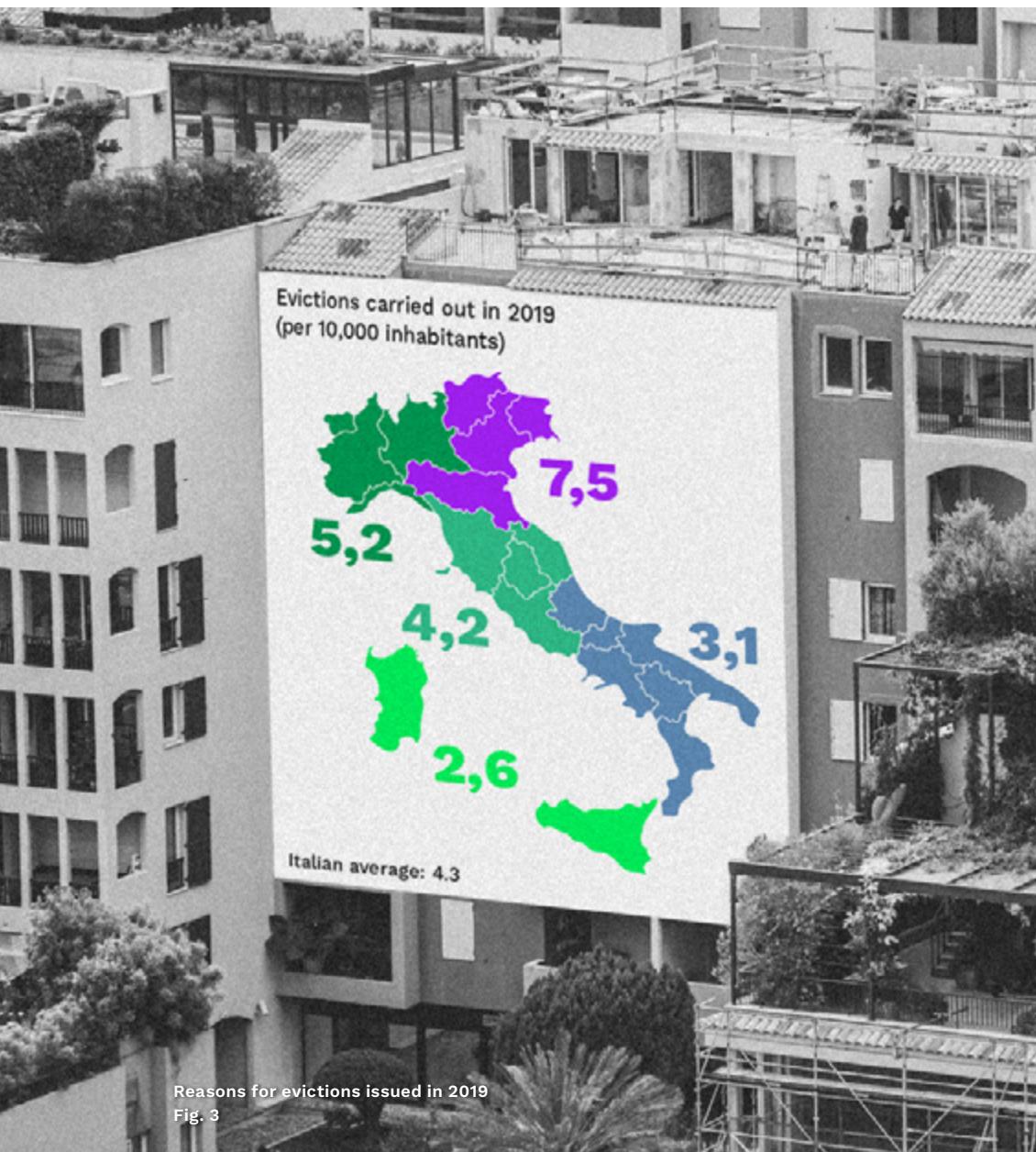
In addition, **Eurostat** shows that in Italy there are 5.2 million people (8.7% of the population) who suffer an overburdening cost of living, amounting to 40% of disposable income. According to **Nomisma**, this percentage rises to 11.2% when observed among the population aged between 25 and 34 highlighting

the particular incidence of housing issues in the young population and above all, the possibilities of mobility and choice. In particular, 47.8% of single people under the age of 35 and 39.9% of young couples without children live in rented accommodation showing the link between this title of enjoyment and social vulnerability (LegaCoop, 2022).

The proportion of rented households rises to 68.5% in households with a **migrant background**. Half of foreign-only households live

only of Italians. Data that highlight the relationship between rent, housing poverty and households with a migrant background.

Data from the **Ministry of the Interior** up to 2020 show that between 40,000 and 50,000 eviction judgments were issued every year, involving about 120,000 people with at least 30,000 minors. According to the **Forum Inequality and Diversity**, when evictions are carried out, there is a shift from house to house, and social workers or municipal representa-



in overcrowded conditions (48.1%), compared with 17.3% of those composed entirely of Italians, highlighting the relationship between housing hardship and a migrant background (ISTAT, 2022). Moreover, in the central municipalities of the metropolitan area, the incidence of absolute poverty for families composed only of foreigners is more marked, 34.4%, against 5.1% for families composed

tives are rarely present. According to Istat, there are at least 96,000 homeless people in Italy, and they are concentrated in attractive cities, with an ever-increasing percentage of people with a **migrant background, which now stands at around 60%** (ISTAT, 2015).

Federcasa's data on housing needs in Italy report that over 5% of Italian households

**Arrears/
Other Cause**

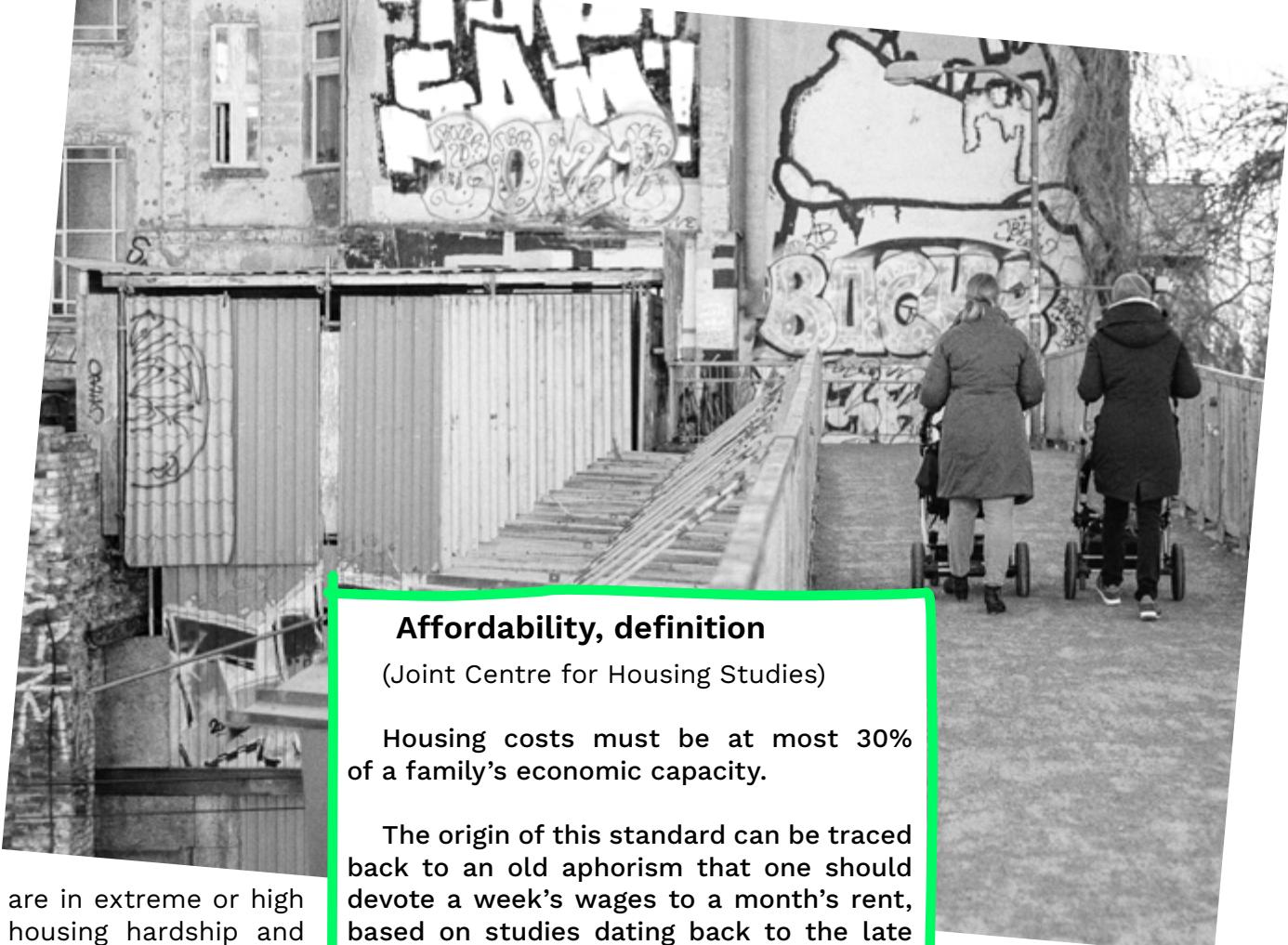
87%

False Lease

9%

**Landlord's
Needs**

4%



are in extreme or high housing hardship and 8% in low housing hardship. Of the former, more than 75% live in rented accommodation and about 25% in property, confirming the **centrality of renting for low-income families**, and at the same time underlining how **property is not synonymous with housing security**.

Finally, looking at the **public assets** in Italy, at least 48,000 council houses are unused due to lack of maintenance and about 650,000 families (1.4 million people) are in the municipal ranking lists for access to a council house.

A missing piece in the reconstruction of the housing affordability puzzle - the discrepancy between housing prices and people's incomes - is related to the shift of housing from a social good to a **financial asset. This phenomenon** is a determinant of the current housing crisis (Rolnik, 2020). In particular, since the US sub-prime mortgage crisis

Affordability, definition

(Joint Centre for Housing Studies)

Housing costs must be at most 30% of a family's economic capacity.

The origin of this standard can be traced back to an old aphorism that one should devote a week's wages to a month's rent, based on studies dating back to the late 1800s on how much typical families spent on housing. The underlying idea was that if housing accounted for more than this share of income, there would not be enough left over to pay for the other necessities of life. This standard of 25% of income was incorporated into national laws for housing assistance programmes in the 1960s and 1970s. However, in the early 1980s, new legislation increased the standard to 30% for most programmes.

Since then, 30% of income has been the norm to define housing affordability.

Today, some scientific texts have begun to introduce 40% as the affordability threshold, but this policy brief sticks to the most influential studies.

between 2008 and 2013, significant **financial and insurance funds and institutional investors** have become meddlesome in housing issues, not only by purchasing buildings and urban areas but also by entering the mortgage market and **financialising public assets**, private rental market, while securitising social housing and investing in tourist short rentals (Holm, et al., 2023).

These are actions whose consequences have created increased **inequalities in access to housing**, leading to an exacerbation of already existing problems. In particular, as early as 2016, bank debt for mortgages had become unaffordable for 20% of landlords, while on the rental front, the short rental platform market has contributed to dragging the market, leading to a gradual increase in these inequalities. It should also be added that no public resources can be activated to support homeowners in distress,

and the housing allowance for tenants was also discontinued in 2023.

The housing issue today has substantial consequences on all inhabitants, but in very different ways. It **weighs on the life trajectories of young people**:

it structures and conditions their difficulties in making the transition to autonomous life, both at work and at the more intimate family level. The **effects are, however, very different by social class and affect the lower classes much more**. The middle classes have worsened recently and are experiencing similar problems to the most disadvantaged classes (Howard, et al., 2024). On the contrary, there are **no particular problems for the more advantaged classes**,

which, are acquiring property even more easily than forty years ago, even in Italy (Flynn, 2020).

The issue is in no way secondary. On the contrary, it is central to understanding Italy and contemporary societies more generally. In the more affluent classes, intergenerational transfers (inheritances, gifts and decommodified internal loans) have always been present, allowing their young adults to capitalise on their parents' fortunes (Huang et al., 2021; Howard, 2024).

Today, **in the most privileged classes, the rents generated by real estate assets far exceed wage incomes** (Adkins, et al., 2021), and in this sense they are fundamental to understanding the logic of contemporary social stratification. Housing status is not only an outcome but is also **constitutive of social stratification** (Pfeffer, Waitkus, 2021).

Given these circumstances characterised by growing inequalities and shrinking public instruments, in Italy, there are deep-rooted traditions of mutualism for producing accessible, non-profit housing. Since the late 19th century, Italy has had a long and influential history of residents' cooperatives that were able to build many of the first working-class neighbourhoods in cities before large-scale public housing programmes.

They have contributed to broadening efforts towards the right to housing and its affordability throughout the peninsula, triggering a public debate on new economic models and real estate paradigms and creating neighbourhoods with collective assets and attention to decommodified conviviality. In particular, producing an affordable and redistributive rental strategy based on the **system of undivided**, or collective ownership of residential property has left a housing stock based on the principle of use value of **over 40,000 dwellings** in the Peninsula today. This is a very incisive figure in the European context (Griffith, et al., 2024), which sees undivided ownership inhabitant

cooperatives as a model for creating accessibility (see for example the Swiss case, of great interest: Balmer, Gelmer, 2018; Barenstein, 2022).

Over the past 140 years, the trajectory of housing cooperatives has followed a succession of accelerations and decelerations, with some regulatory and enforcement breakpoints or turning points.



The main issues

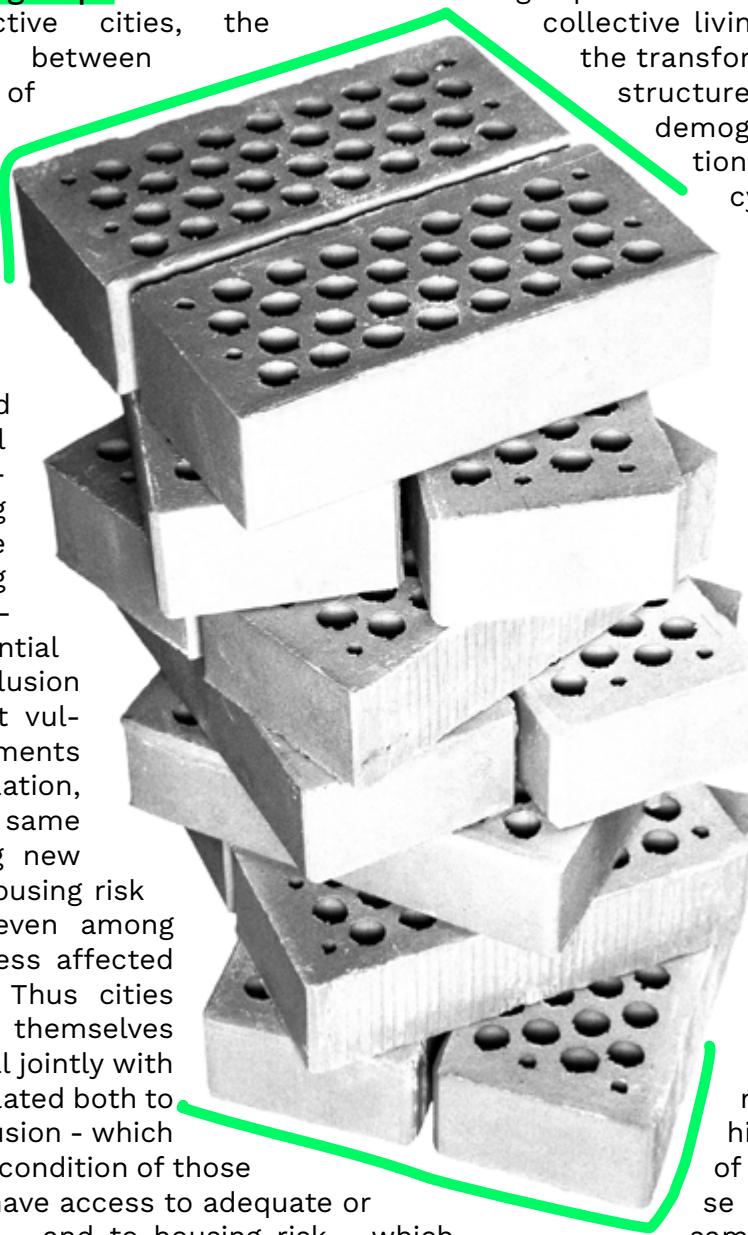
After years of weak coverage, the emergence of a new urban issue related to housing has repositioned housing policies at the centre of public discourse, mainly around three problematic nodes that guide the reflection of this policy brief.



1) Exclusion from housing of the most vulnerable and new risk groups

In attractive cities, the conjuncture between the rigidity of housing assets linked to the ownership regime, the weakening of households' purchasing power, and the residual nature of public housing assets are exacerbating the condition of potential housing exclusion for the most vulnerable segments of the population, while at the same time causing new profiles of housing risk to emerge even among historically less affected populations. Thus cities today find themselves having to deal jointly with processes related both to housing exclusion - which refers to the condition of those who do not have access to adequate or safe housing - and to housing risk - which indicates the condition of uncertainty concerning the possibility of maintaining housing.

In urban contexts, this process concerns in particular 'non-patrimonialised' persons or households, i.e. those profiles that have not been able - by impossibility, by choice or by temporal factors - to access property ownership in the historical phases in which various policies - tax, facilitated access to credit, public alienation - have facilita-



ted access even in the face of a more stable housing market and economic redistribution processes. In a residual and highly competitive rental market, being a tenant today means being subject to risk, just as being unable to access property means potentially being excluded. Moreover, the reduction in the average size of households, the constant increase in their number, the transformations of family configurations and the increase in non-traditional households (singles, single-parent households, unmarried couples, collective living, etc.), in conjunction with the transformations of the demographic structure, the transformations in the demographic structure of populations (increased life expectancy, immigration, a marked dejuvenation of the Italian population, cf. Caltabiano, Rosina, 2018) have led not only to a differentiation in demand, but also to an increase in atypical housing demands that are little considered by the current housing market form (Cafora, et al, 2024).

The difficulty of getting out of a condition of vulnerability concerns first and foremost families with a migrant background whose actual possibility of access to the city is strongly linked to the availability of affordable rental housing. Suffice it to say that more than one in 10 families live in a house they own. Housing poverty among these households rises in metropolitan urban centres, highlighting the condition of housing risk even for those with access to rent. At the same time, the very possibility of access to housing is called into question in a rental market driven, in particular, by small properties (Balducci, 2023). Adverse selection processes related to the widespread distrust and low social reputation of people of foreign origin make access to housing in the rental market particularly complex, often relegating individuals and households to a poorly protected and often inadequate 'off-market' offer (Tosi, 2017).

The condition of exclusion and risk also concerns a broad swathe of working men and women, highlighting an increasingly evident disjunction between the income capacity of the lower and middle classes and the possibility of access to housing. Cases such as Milan, where 60 percent of income earners are under 26,000€, highlight the near impossibility for large sections of its population to keep housing costs within the 30% limit in the face of a market with an average rental price of 240€/sqm that is constantly rising, and a buying and selling market that would require **at least 12 total years of salary to buy a 60 sq.m. home** (Bricocoli, Peverini 2023). Added to this fragility is the increase in energy costs, projected to rise by 20% between 2020 and 2021, which will result in 9% of households experiencing energy poverty - a figure that could double according to the Italian Observatory on Energy Poverty (Foundation Abbé Pierre, FE-ANTSA, 2023).

The attractiveness of several cities is also characterised by the presence of university education systems that make them poles of learning on a regional, national and international scale. This phenomenon, which has developed enormously over the last twenty years, has been little supported by housing and right-to-study policies and has led the off-campus student population to compete in an inaccessible urban market, feeding the phenomena of urban rent even in the face of feeble regulation. Young workers flank this population, for whom ISTAT (2022) emphasises a growing vulnerability due to the exceptionally high ratio of housing costs to income.

In the historical-political phase that the country and the cities are going through, the Welfare retraction and its specialisation reinforce segregation processes that affect various fragile populations by making the present housing welfare resources inaccessible. These processes are often hidden, affecting

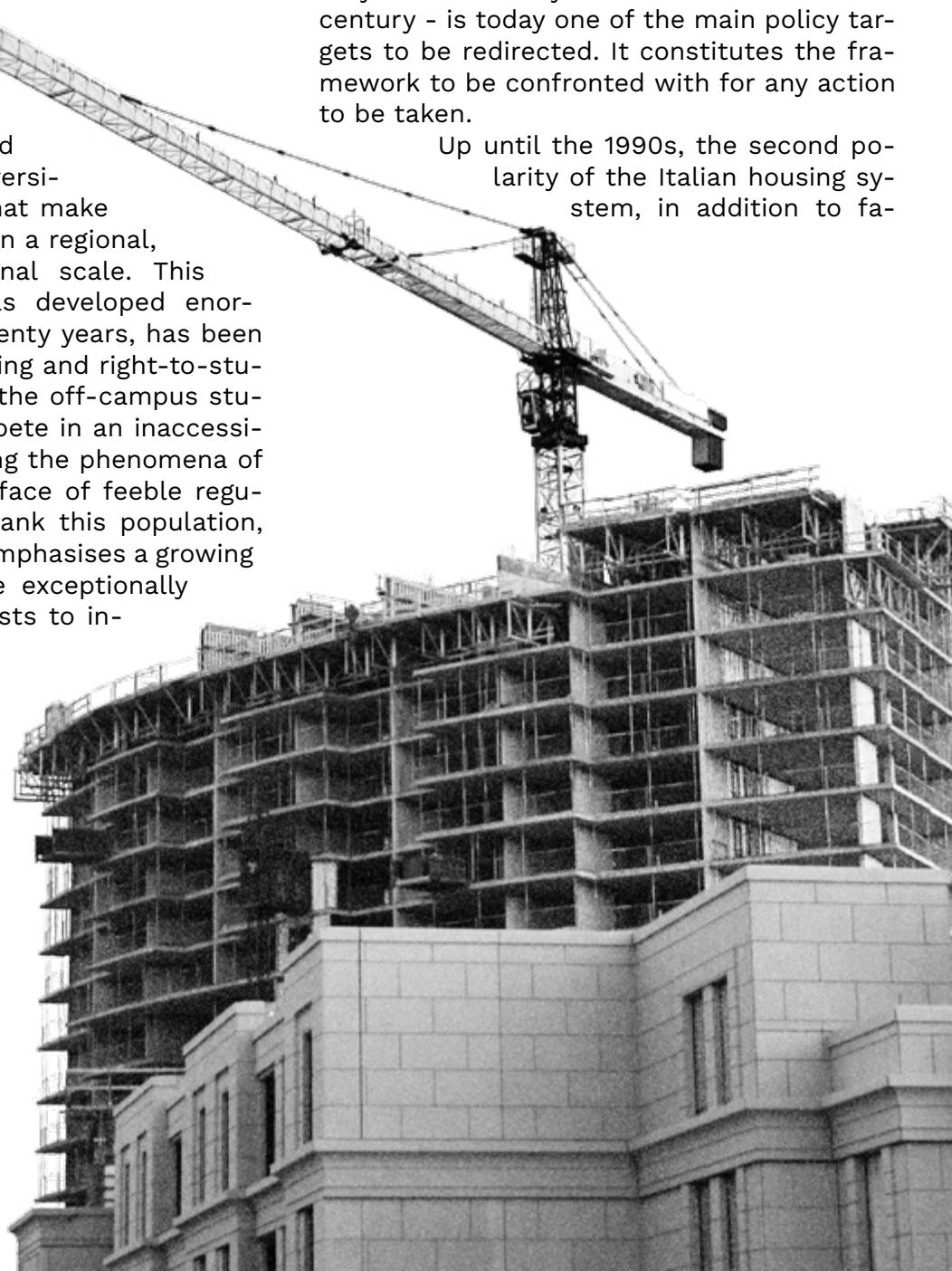
access criteria and requirements, making policies increasingly selective and exclusionary (Vitale, 2024).



2. Weakness of public policies for an accessible city

The housing issue in Italy is rooted in a peculiar history characterised by the progressive weakening of policies and the excessive reduction of public intervention instruments on the subject. Various elements have favoured this process, which, however, sees its foundations in favouring access to private home ownership to counter the social instability operated since the first post-war period, which, especially in attractive cities, has determined a strong commodification of the housing good. The diffuse and nuclearised ownership regime - how one can define the absolute centrality of access to property as an active housing policy that has transformed Italy into a country of small owners in half a century - is today one of the main policy targets to be redirected. It constitutes the framework to be confronted with for any action to be taken.

Up until the 1990s, the second polarity of the Italian housing system, in addition to fa-





mily ownership, was the production of Public Social Housing (ERP), which since the 1990s has seen its process of divestment, both in material and immaterial terms, with a progressive cultural marginalisation (Filandri, et al., 2020). From the point of view of production capacity, in fact, although well below forecasts, first the Ina Casa Plan and then the PEEPs (Popular Economic Housing Plan) characterised state intervention from the post-war period until the end of the 1970s when some constitutional rulings on expropriations made the **finding of land** for public housing more complex, slowing down its production. At the same time, the abolition of the Gescal levy system in 1998, introduced by Law no. 70/63 to support the system for producing new housing, has led to the **end of new public resources** for housing, now de facto without stable economic sources. Moreover, if it is true that *rent-to-buy* modalities had been introduced in the public social housing production system since the Fanfani Plan¹, the 1990s also marked the start of the tremendous **public divestment** process, with Law no. 560/1993. Thus, between 1993 and 2006, about 155,000 dwellings were sold at an average unit price of about €23,700, an under-market sale process that is still ongoing.

The weak regulations of the Italian context and the legislative backwardness are well exemplified by the **reform of rents** in 1998 with the so-called ‘Zagatti’ law, no. 431/1998, which removed the residual constraints inherited from the previous regulatory system. Although the measures introduced were aimed, at least in part, at relaunching the rental system, the reform stemmed from a system that assumed that the housing issue and the



need for regulation were outdated. This reform, which has never been amended, has led to the development of a weakly regulated housing system that makes the control of lo-

cation rent in attractive cities particularly problematic, as well as the countering of the distorting effects of public works and the countering of the operation of tourist rental platforms. Similarly, the processes of metropolisation underway, with the related need to rethink the links between density, mobility and fluid living are not conceived, planned, and supported by specific public policies (Pratske, 2023; Cafora, 2024; Morelli, 2024).

Finally, this weak regulatory model is flanked by the absence of prospects for reform and revitalisation of the public and social production system, considering that the last **national Housing Plan was** promoted in 2009 with reduced results.

The history of housing policies in Italy, in short, tells of missed opportunities, the final episodes of which are marked by the near exclusion of the housing issue from the **PNRR** and the low return in social terms of the public expenditure made to support the expansive **Eco-bonus** policy (Cavicchia, et al., 2023). Thus, in this framework emerges the lack of tangible public equity that can actively influence and support policies, the last use of which appears to be that made to support the development of the system of **real estate funds for social housing** - Ministry of Infrastructure and Transport and Cassa Depositi e Prestiti - which are now exhausted (Lareno Faccini et al., 2017).



3. Distorting effects on investment and financing in the real estate sector

The **financialisation of the housing market** refers to the process by which investors from the world of finance use housing as a vehicle for investment and future gain, considering it a commodity rather than a common good. Over the last fifteen years, finance actors have been increasingly active in Europe's urban real estate market. At the same time, several historical actors in urban development have adopted financial logic, profoundly changing the way value is produced and the economic structure of the real estate sector (Aalbers, 2016).

In Italy, this process began in the 1960s, during the building boom, when finance entered the real estate production process by providing bank loans. In the 1980s, figures from the world of finance were introduced into the building production process, ascribable to the acronym **NOTIA** (*Nuove Organizzazioni del Terziario Immobiliare Avanzato*)², bearers of new instruments such as real estate funds, securitisation, and real estate valorisation. The interference of the financial market means that the real estate investment is no longer acquired based on its potential residential use, but rather for a regular, periodical rent (Arbaci, et al., 2022).

territory of spin-off operations, securitisation, and, in general, privatisation of parts of the public city. The public actor supports at a regulatory and administrative level the trends of financialisation of real estate and land assets, not restraining the commodification of public and collective assets, but instead increasingly implementing public-private projects in search of new forms of financing and investment for urban and territorial development (Cafora, 2020). Moreover, in several cases, the historically low values of urbanisation charges have attracted new international players over the last decade, accelerating the process of financialisation and commodification in attractive cities (Cousin, 2017), with a negative effect on *housing affordability*, especially for the middle and lower classes.

Nomisma's 2020 data show how financialisation has affected normal housing conditions by increasing the number of housing hardships in Italy, where 320 thousand owners, 1,150 thousand renters living in hardship conditions, and 510 thousand citizens facing severe hardship (Molignoli, 2020). The data also reveal **the fragility of the institution of ownership** as a tool of *housing affordability*, reporting that in 2019, 160 thousand families suffered foreclosure of their homes and 98 thousand were at risk of defaulting on their mortgage instalments. The latter difficulty has now increased mainly due to the combination of inflation and the significant rise in interest rates.

The diffusion of **tourist platform short rentals** is a phenomenon that has contributed to transforming living and cities more in the last decade with gentrifying and financialised trends (Aguilera, et al., 2022). In Italy in 2019, in the most central and tourist areas of six capitals (Bologna, Florence, Naples, Palermo, Rome and Venice), the percentages of houses on Airbnb ranged from 11% (in Naples) to 32.4% (in Bologna). In 2023, there will be 180 million presences in Italy with a turnover of EUR 11 billion³. It emerges how the market for short-term rentals in Italy is not regulated from a housing and urban planning perspective but only from a fiscal perspective. This is also confirmed by the Italian government's Budget Law 2024 approach, which plans to increase taxation on short-term rental income from the second rented property.



In a panorama of **progressive market opening to foreign investors**, **Italy in the 2000s became a fertile investment ground for pan-European investors, key players in the privatisation of public assets and the experimentation on Italian**

Conclusions

To defuse the process and mechanisms underlying the paradox of commodified housing, and the resulting inequalities, it is increasingly urgent to design and implement new political, economic, and social strategies that re-value housing as a common and utilitarian good included in planned urban spaces and sustainable, convivial local communities, and not in depersonalised international markets that only follow commodified logics of exchange (Rodríguez-Pose, Storper, 2020).

This policy brief intends to introduce **new pragmatics of change** to address the creation of new tools at the disposal of policies that operate a simplification of processes and simultaneously enrich and multiplication them and their possible implementation effects. The variety of tools is a fundamental key to effectiveness, taking into account policy design, regulation, funding and programming, training of actors in dedicated agencies and careful implementation.

The main directions proposed for developing housing policies consider positioning in a highly polarised society, proposing the implementation of a social mix, and, most significantly, redistribution. They also intend to focus on the subsistence and **transparency** of real estate and land assets, both public and private in cities, and available for the production of affordable housing wanting to **break down the dispute between ecological transition and affordability degrowth** (Cavicchia, et al., 2023; Vitale, 2024).

The following proposals are organised to respond to the three main issues outlined above, taking into account the competencies of government at the different institutional levels. They are addressed to those working nationally or locally in attractive cities.

In addition, two main modes of action are proposed:

1. an intentional activation of instruments that already existed but were underused or used with little regard for inequalities;
2. reforming and producing new instruments.



1) EXCLUSION OF THE MOST VULNERABLE FROM ACCESS TO HOUSING / NEW ACCESS AND RETENTION POSSIBILITIES FOR THE MOST VULNERABLE

Proposals:

A. **Restore sources of public expenditure at the national level to be more responsive to growing needs (National/Political Intentionality)**

Relaunch the capacity for public intervention in the housing sphere by rebuilding a continuous nationwide fund, starting from the allocation of a constant share of GDP to housing in line with the European average of 0.4% (currently under 0.1% in Italy against 0.7% in France, according to Eurostat). Adjusting public spending is necessarily a first step towards defining effective and sustainable policy proposals.

B. **Define more stringently and progressively the concept of social and solidarity in housing policies at the national level (National/Policy Intentionality)**

Reforming DM22/2008 and the regulations defining 'social housing'¹ with a strong orientation towards social rental and consequently excluding for-sale properties from the normative definition of social. This perspective allows for overcoming the extended and undifferentiated concept of 'social' typical of Italian housing policies.

C. **Strengthening inclusiveness in housing policies by working on regulations and active policies to support the relational and reputational capital of marginalised profiles in the housing market (Local/Policy Intentionality)**

Revise the criteria for access to public social housing to counter reverse selection concerning some particularly vulnerable demand profiles. In particular, abolish the logic of residence time as a criterion for rewarding the allocation of public resources for housing - Public Social Housing, Housing Maintenance Grants, and Affordable Housing. At the same time, it is necessary to relaunch an active investment in capital support policies for excluded profiles through public intermediation subjects such as the Social Rental Agencies, which is a more regulated context that can facilitate the processes of inclusion in the housing market (Vitale, 2021).

Some examples worldwide:

 The Agences Immobilières Sociales (AIS) are non-profit organisations recognised, approved and subsidised by the Brussels-Capital Region. Their mission is to socialise as part of the rental market in Brussels. They manage the rental of housing that belongs mainly to private landlords and rent it out at an affordable price to low-income families. Today, the AIS of the Brussels Region manage more than 7,800 housing units, guaranteeing affordable rent to 15,900 inhabitants.

D. **Strengthening preventive housing arrangements**

Re-establish, within the framework of more significant resources for the housing sector, a non-compliance arrears fund shared by the various levels of government linked to the size of the need expressed by registered eviction requests and housing hardship indicators. Within a regulated rent system (see proposal 3.B), it is also possible to develop a system of incentives for individuals/households that effectively covers housing-related expenses, thus alleviating housing cost pressures from a preventive perspective.

General addresses:

A. Greater progressivity in housing policies: Generally, it seems necessary to reintroduce a principle of progressivity in public housing policies and the tax levy supporting implementing these policies. Since the abolition of the Gescal levy, instruments have yet to be introduced in national and regional taxation to connect economic development (local/national) to the resources available for housing and for potential needs related to public spending.

B. Relaunching Public Social Housing: Revaluing the public housing stock as a lever to guarantee housing access for the most vulnerable groups at risk of housing exclusion. Revitalising these assets does not pass solely through increased available resources. However, it requires a renewed framework of management models, introducing new skills and roles, encouraging housing mobility to and from other affordable sectors, and always favouring the conversion of the built environment to limit land consumption.

2) WEAKNESSES OF PUBLIC POLICIES FOR AN ACCESSIBLE CITY / POSSIBLE PUBLIC POLICIES FOR A MORE ACCESSIBLE CITY

Proposals:

A. Reorganising the internal organisation of municipal housing divisions as a first step towards innovation (Local/Political Intentionality)

Given the disappearance of the housing issue from the public and political discourse, there is a need for a new organisation of housing competencies. The objective is to recompose the decision-making chain, define devices to support the production of accessible housing, and identify the accessible heritage present at the city level (attractive cities).

Some examples from around the world:

Since 2014, the municipality of Barcelona has had a programme to support the production of accessible living, particularly cooperative living. As a first step, it founded three municipal institutes by merging three councils for housing, social policies, and heritage, producing 1. the council for housing and renovation; 2. IMHAB—the municipal institute for housing policies and renovation; 3. the housing consortium Barcelona, and an observatory for architectural regeneration in Barcelona.

B. Produce a 10-year Municipal Right to Housing Plan (Local/Political Intentionality)

To equip ourselves as attractive cities with vision and strategic planning documents that will settle into operational tools to foster the right to live:

Work on strategic axes such as:

1. preventing the housing emergency,
2. ensuring the proper use of housing stock to counter its commodification,
3. expanding the number of affordable houses,
4. recovering the existing housing stock.

Produce tools to support the realisation of the objectives:

1. a census of empty dwellings and a preliminary study looking at promising practices,
2. open a round table with associations, civil society groups and non-profit housing bodies,
3. set up public competitions for the allocation of property for renovation and renovation to non-profit and mutualist bodies,
4. promote innovative forms of temporary housing for emergency housing.

Some examples from around the world:

The Barcelona City Council also produced a Plan for the Right to Housing 2016-2025, the result of which was the repurchase of 700 buildings from the private market, the establishment of competitions for the use of public land



with surface rights for 75/90 years, and the introduction of urban planning and advocacy incentives for the development of the model of cooperative housing with undivided ownership.

C Relaunching transparency systems on real estate and public land (Local/Reforms)

It is introducing the demand to produce social asset balances for attractive cities that make the state of public real estate and land assets and their use transparent and accessible. This instrument summarises an articulated system of public urban assets responding to a growing need for transparency and to activating social valorisation processes.

D Re-connecting local urban planning with the housing theme to promote new affordable housing stock and new urban mix (Local/Political Intentionality)

Using urban planning as a lever to revive and benefit affordable housing production in particular:

- Activate forms of inclusionary housing in market housing production, i.e., provide mandatory quotas for public and social housing even for minor interventions and not only in primary urban operations according to a principle of progressivity.

- Calibrate appropriate urbanisation charges to the European average for free market shares. A share of the urbanisation charges can be pegged to sales values and thus calculated ex-post concerning the inter-

vention to connect it more closely to the expected value, maximising the return in public economic terms for free market shares.

- In a framework of increased taxation, promote local tax relief policies for non-profit/mutual housing projects with a solid social impact: reduction of building charges, exemption from parking construction, municipal office dedicated to technical support for developing non-profit housing (cf. Zhang, 2023). These interventions should be considered in a progressive perspective and calibrated on the expected outcomes in terms of social housing.

Some examples from around the world:

 Vienna is a unique example of long-standing public housing policies, yet it still needs to be immune to speculation in the housing sector. In the conference 'Housing for All' (December 2018), Josef Ostermayer, director of Sozialbau AG, said: 'Vienna has seen a growing interest of international investors in land suitable for housing, which has led to rising prices. Within a few months, Vienna reacted with a new regulation restricting investors' access to potentially attractive properties for affordable housing.' The provincial government of Vienna has adopted an amendment to the Vienna Building Act (Bauordnung). It stipulates that buildings in areas classified as 'gefördelter Wohnbau' for social-affordable housing, must primarily fulfil the criteria of the *Wiener Wohnbauförderungs-Wohnhaussanierungsgesetzes* (WWFSG 1989), Vienna's housing promotion programme,

i.e. provide $\frac{2}{3}$ of housing for the most vulnerable income groups. This means that the purchase price of the land cannot exceed 188 €/m², flats cannot be sold for 40 years, and the rent cannot exceed 4.87 €/m² living space (net). The law came into force in January 2019, making land speculation in Vienna practically impossible.



E. Production of administrative and policy instruments for affordable housing from a new land and reuse policy (Local/Policy Intentionality and Reforms)

Introducing administrative policies and processes that favour urban development and the reuse of heritage in mutual and social terms:

1. A new land policy for the realisation of accessible and mutualistic housing to reduce the cost of construction starting from new acquisition of private land and use of public land assets as leverage for accessible housing production; formulation of municipal calls and competitions to allocate land to non-profit entities for the development of accessible housing; establish concessions and surface rights for the use of public land to mutualistic or non-profit entities with straightforward returns in terms of the social nature of the intervention.

2. Re-use of under-utilised and unused public assets including non-housing (ex-industrial, tertiary, etc.): setting up public competitions for non-profit organisations for the development of accessible housing; defining developers within a non-profit market; defining target groups with a high percentage (50% or 2/3) of vulnerable groups; not securitising public assets but using them for the development of accessible housing.

Some examples from around the world:

 In Vienna, the fight against speculation occurs through a public land policy. Since 1984, there has been a land fund for the construction of social housing - wohnfonds_wien - which acquires land to construct social housing in line with the city plan. The fund now has 3.1 million m² available for building. The housing fund is used to manage a bank and to promote construction and regeneration projects.

General addresses:

a. Reconstruct and recompose institutional governance: strengthen the coordination of the different actors involved, which needs appropriate solutions at the central level as well as at the territorial level (regions and municipalities) by favouring the integration of policies (without this being to the detriment of housing policies) and overcoming sectoral segmentation—training for managers in urban governance. Produce a ‘National Steering Committee’ or the drafting of a National Housing Plan.

b. To build new supply chains and tools for the production and management of affordable housing: to relaunch the role of the public actor in the definition and rehabilitation of non-profit actors (inhabitants’ cooperation, third housing sector, foundations, new mutualism, collaborative housing) for the production of accessible and inclusive housing initiatives; to develop a social housing market going beyond the private model.



3) DISTORTING EFFECTS OF INVESTMENTS AND FINANCING IN THE REAL ESTATE SECTOR / POSSIBILITIES OF CURBING DISTORTING INVESTMENTS AND FINANCING IN THE REAL ESTATE SECTOR

Proposals:

A. Construction of new national and international funding streams (National/Political Intentionality)

Defining a mix of subjects-credit institutions for the production of affordable housing. Implementing public finance and banking system, innovative forms of cooperative and solidarity finance and popular investment funds (social bonds) and enhancing local economic development.

Steps to realise them inspired by European good practices:

- Establishment of non-profit networks for access to credit at local, supra-local and international scales;
- Affiliation with non-profit housing institutions recognised and rooted in the reference territories, such as cooperatives, third sector organisations, and foundations, in order to get in touch with the existing credit supply chains;
- Networking with non-profit credit institutions at the national and international level, e.g., EIB, Swiss Credit Bank, Foncoop, ZEF Croatia, and Coop57 Barcelona.
- Activation of public and private actors in the role of Guarantee and Advocacy to produce access to credit:

a. Public advocacy to produce access to credit: Implementing public administrative, political, and economic instruments to facilitate the credit access processes of non-profit housing forms.

b. Advocacy of major European banking players for access to credit (e.g. EIB)

Stimulate a network between national alternative lending institutions and promote training in credit production tools for non-profit housing projects



Some examples from around the world:

The production of alternative housing models has given impetus to the creation of innovative, autonomous and self-promoted financing practices, such as solidarity-based financial services, financing cooperatives like the Cooperative for Ethical Finance (ZEF, Croatia)⁵ or Coop57 in Barcelona, participatory bonds and micro-credits, civic crowdfunding and the creation of an intensive dialogue with ethical banks. MOBA⁶, as a first action, conducted comparative research on traditional and alternative credit institutions available in their city, region, nation and other countries. They also approach European funds such as the European Investment Fund by creating transnational alliances. MOBA was founded in cooperation with peer cooperatives (such as the historic ABZ, Zurich), an Accelerator. This supranational funding instrument brings together a network of actors able to receive impact investments from FundAction EU and be accessible to diverse investors from different countries.

B. Taxing the extra-profits of urban rent (National/Legislative Reform)

Devisage additional taxation for second homes of around 20% on the share of urban rents linked to the increase in property values due to the development of public works, with the direct aim of preventing private rents from swallowing up the social value of public investments in terms of accessibility, liveability and urban quality.

Some examples from around the world:

In aris, due to a national regulation, there is an extraordinary levy on increases in real estate value. This levy is made when a property is sold and does not and cannot affect the first home, the sale of which is taxed anyway. A tax of 19% is applied to the increase in real estate value, plus 17.2% social security contributions. This measure allows the community to recoup part of the increase in value in the generation of which it has played a decisive part through public investment, employment and the use of urban space.

C. Reforming Leasehold Legislation (National/Legislative Reform)

Reforming law no. 431/1998 to overcome the model of complete liberalisation of rents by introducing a specific regulatory framework within which cities can introduce systems to control rental values and combat the proliferation of short-term rentals related to platforms and urban tourism. In particular:

- Rent Cap: based on the model of various regulatory systems, provide for the locals the possibility to introduce value caps for the rental offer including market caps and their increase over time.

- Combating short platform rentals: following the model of several European experiments, by introducing the possibility for local regulations to define different urban bands to regulate maximum quotas of tourist rental accommodation and maximum number of rental days can avoid the conversion of housing stock.

da - approved at the national level in 2023 - proposed a similar model, although less stringent, identifying areas of high housing tension with a duration of three years that can be extended to the same rents applied in the previous five years corrected by the value of inflation and by the evaluation of any improvements made by owners. Paris also has a rent regulation that has proven to be effective and robust in the medium term (based on the 2018 Evolution du logement, de l'aménagement et du numérique (ELAN) law; see OLAP, 2023; Gilli, 2024).

General addresses:

a. Counteracting the process of financialisation and alienation of public assets: promoting the re-use of public assets in the social market for housing purposes by overcoming the model of alienation and securitisation of public real estate, developing a new economic model for the economic sustainability of public housing.



Some examples from around the world:

The city administration has long advocated greater rental market regulation in Barcelona. In 2020, a law from the autonomous community of Catalonia introduced measures to curb rent increases within areas of high housing tension based on a series of indicators concerning price trends and the relationship between these and incomes. In these areas, new contracts and renewals are framed within a 'reference price' adjusted for specific housing attributes. However, relevant parts of this rule have lapsed due to an intervention by constitutional justice that recognised only the central state's power to intervene in this matter. Subsequently, the so-called Ley de Vivien-

b. Promoting greater transparency in urban finance: defining stringent tools and verification methods on financial actors operating in real estate development, promoting greater transparency concerning the origin of resources and investor subjects.

Notes

1. INA-Casa refers to the Italian state's intervention plan, in force between 1949 and 1963 and conceived by Minister of Labor Amintore Fanfani (also called the Fanfani Plan for this reason), to build public housing throughout Italy.
2. New Organizations of the Advanced Real Estate Tertiary.
3. Cicognani, Alessandro, Tourism in Italy is more and more about short rentals: worth 42% of the market. *La Repubblica*. 17 June 2023. Access: https://www.repubblica.it/economia/2023/06/12/news/affitti_brevi_airbnb_controlli-403692120/
4. In Italy, the current social housing regulation system includes different housing supply types, from public rental housing to houses for sale at near-market values. This dynamic has been further strengthened over time and with the latest reforms at the national level (e.g. 2009 Housing Plan) to expand the possible interventions supported by public resources, with the result, however, of having diminished the redistributive action of housing policies.
5. <https://www.zef.hr/en/o-nama/o-zef-u>
6. A coalition of pioneering organisations from Budapest, Belgrade, Ljubljana, Zagreb, and Prague form the MOBA Housing Network. They want to create the first community-run housing cooperatives in their countries and make these cooperatives replicable models capable of tackling the housing shortage. The Network was born from the realisation that all projects shared similar structural restrictions and experiences. By cooperating, they could help each other overcome obstacles. MOBA now paves the way for a new cooperative approach in Central and South Eastern Europe. <https://moba.coop/moba-housing-sce/>

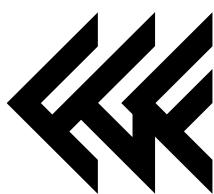
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